**Guided Notes – Ch. 9 Recording Adjusting and Closing Entries**

**Adjusting Entries**

Adjustments must be

These Adjusting Entries are ­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ general ledger accounts at the end of a fiscal period.

**Recording Adjusting Entries**

Recorded in the general \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ columns.

Recorded on the journal page \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ on which the last daily transactions for the month are recorded.

**Journalizing an Adjusting Entry**

1.

**The Heading will label all of the adjustments made during the fiscal period.**

2.

3.

4.

**9.2 Recording Closing Entries**

**Permanent Accounts**

Accounts used to accumulate information from one fiscal to the next.

**Includes** –

The ending permanent accounts are the ­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ for the next fiscal period.

**Temporary Accounts**

Accounts used to accumulate information until it is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to the owners equity capital account.

**Includes** –

Temporary Accounts begin a new fiscal period with zero balances.

**Closing Entries**

Journal Entries used to prepare \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ for the beginning of a new fiscal period.

To close the account, an amount equal to its balance is recorded on the side opposite its current balance.

**Income Summary Account**

Used to summarize the closing entries for the Revenue and Expense Accounts.

**Closing an Income Statement Account with a Credit/Debit Balance**

1.

2.

3.

4.

**Closing Entry to Record Net Income/Loss and Close the Income Summary**

1.

2.

3.

**Closing Entry for Owner’s Drawing Account**

1.

2.

3.

**9.3** **Preparing a Post Closing Trial Balance**

Lines are drawn to show that the balance has been reduced to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Post-Closing Trial Balance**

A Trial Balance that is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**ONLY** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ accounts with balances are included.

The total \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ must equal each other.